

ELECTRONICALLY FILED
August 17, 2007

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*Attorneys for Rolland P. Weddell
And Spectrum Financial Group*

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:

USA COMMERCIAL MORTGAGE COMPANY
Debtor.

Bankruptcy No. BK-S-06-10725-LBR

In re:

USA CAPITAL REALTY ADVISORS, LLC
Debtor.

Bankruptcy No. BK-S-06-10726-LBR

Bankruptcy No. BK-S-06-10727-LBR

In re:

USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC
Debtor.

Bankruptcy No. BK-S-06-10728-LBR

Bankruptcy No. BK-S-06-10729-LBR

(Jointly Administered)
Chapter 11

In re:

USA CAPITAL FIRST TRUST DEED FUND, LLC
Debtor.

**MOTION TO WITHDRAW AS
COUNSEL FOR CLAIMANTS
ROLLAND P. WEDDELL AND
SPECTRUM FINANCIAL GROUP**

In re:

USA SECURITIES, LLC

Debtor.

Hearing Date: Negative Notice

The law firm of Hale Lane Peek Dennison and Howard ("Hale Lane"), counsel for Rolland P. Weddell and Spectrum Financial Group (collectively, the "Represented Parties") hereby moves to withdraw as counsel of record in the above-entitled action. This Motion is made pursuant to LR IA 10-6, and is based on the attached memorandum of points and authorities and supporting

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documentation, the papers and pleadings on file in this action, and any oral argument this Court may allow.

MEMORANDUM OF POINTS AND AUTHORITIES

1. Local Rule IA 10-6 allows for attorneys to withdraw from a case by leave of court after service on the affected client and opposing counsel. LR IA 10-6. Specifically, that Rule states, in relevant part, as follows:

LR IA 10-6: APPEARANCES, SUBSTITUTIONS AND WITHDRAWALS.

(b) No attorney may withdraw after appearing in a case except by leave of court after notice served on the affected client and opposing counsel.

* * *

(d) Discharge, withdrawal or substitution of an attorney shall not alone be reason for delay of pretrial proceedings, discovery, the trial, or any hearing in the case.

(e) Except for good cause shown, no withdrawal or substitution shall be approved if delay of discovery, the trial or any hearing in the case would result. Where delay would result, the papers seeking leave of court for the withdrawal or substitution must request specific relief from the scheduled trial or hearing. If a trial setting has been made, an additional copy of the moving papers shall be provided to the clerk for immediate delivery to the assigned district judge, bankruptcy judge or magistrate judge.

Id.

2. Hale Lane desires to withdraw as counsel for the Represented Parties, and to be relieved of any further responsibility to act as counsel for the Represented Parties in this action.

3. This motion is based on good cause in that Hale Lane has expended considerable effort, time, case expenses, and overhead expenses in pursuing this case, for which Hale Lane has yet to receive full payment. *See* Affidavit of J. Stephen Peek, attached hereto as “**Exhibit A.**” Hale Lane has advised the Represented Parties that they wish to withdraw from this case. *Id.* The Represented Parties have indicated that they wish to obtain substitute counsel, but to date, the Represented Parties have not secured a commitment to representation from any alternative counsel. *Id.*

4. Currently, the Hearing on USACM Liquidating Trust’s Objection to Claim 819 of Spectrum Financial Group in the amount of \$49,581,000 and Claim 821 of Rolland P. Weddell in the

1 amount \$13,081,000 (collectively, the "Proofs of Claim") is scheduled for October 15, 2007. No date
2 has yet been set for a full evidentiary hearing on the Represented Parties' Proofs of Claim.

3 5. It is anticipated that, if discovery is permitted by this Court, the Represented Parties will
4 require several depositions to establish their Proofs of Claim. Because of the significant time and
5 expense Hale Lane has already incurred without full payment, and because of the considerable
6 expenses that will be incurred throughout the remainder of the case, it is no longer feasible for Hale
7 Lane to continue their representation at this time. Hale Lane anticipates that the Represented Parties
8 can find alternative counsel well before the currently set hearing on USACM Liquidating Trust's
9 Objection to the Proofs of Claim.

10 6. Considering the current status of the case, Hale Lane submits that the Represented
11 Parties will not be unduly prejudiced by the withdrawal of counsel at this time.

12 7. A copy of this motion has been delivered to the Represented Parties. The Represented
13 Parties have been notified in writing of their right to object to this motion.

14 8. The Represented Parties may be served with notice of further proceedings in this case at
15 the following addresses:

16 Roland P. Weddell
17 2271 Arrowhead Dr.
18 Carson City, NV 89706-0459
19 Fax: (775) 883-4088

20 Spectrum Financial Group, LLC
21 c/o William Schilz
22 225 Valley Glen Lane
23 Martinez, California 94553
24 Email: billschilz@Comcast.net
25 bill@spectrumgroups.com

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Hale Lane Peek Dennison and Howard
3930 Howard Hughes Parkway, Fourth Floor
Las Vegas, Nevada 89169

DATED this 17th day of August, 2007.

J. Stephen Peek, Esq.
Scott D. Fleming, Esq.
Matthew J. Kreutzer, Esq.
Hale Lane Peek Dennison and Howard
3930 Howard Hughes Parkway, Fourth Floor
Las Vegas, Nevada 89169

*Attorneys for Rolland P. Weddell
And Spectrum Financial Group*

EXHIBIT "A"

EXHIBIT "A"

AFFIDAVIT OF J. STEPHEN PEEK, ESQ.

STATE OF NEVADA)
): ss.
COUNTY OF CLARK)

I, J. Stephen Peek, being first duly sworn, depose and say:

1. I am an attorney with the law firm of Hale Lane Peek Dennison and Howard, counsel for claimants Rolland P. Weddell, and Spectrum Financial Group, LLC ("Claimants"). I am duly admitted to practice law in the State of Nevada.

2. This Affidavit is submitted in support of the Motion to Withdraw as Counsel of Record submitted herewith.

3. Plaintiffs have not paid our firm's bills for attorney's fees and costs for a substantial length of time.

4. Plaintiffs have been advised by this firm that Hale Lane will no longer be able to represent them. Plaintiffs have indicated that they wish to obtain substitute counsel, but to date, Plaintiffs have not secured a commitment to representation from any alternative counsel.

5. Because of the foregoing, Hale Lane is no longer able to adequately represent Plaintiffs.

6. Currently, the Hearing on USACM Liquidating Trust's Objection to Claim 819 of Spectrum Financial Group in the amount of \$49,581,000 and Claim 821 of Rolland P. Weddell in the amount \$13,081,000 (collectively, the "Proofs of Claim") is scheduled for October 15, 2007. No date has yet been set for a full evidentiary hearing on the Represented Parties' Proofs of Claim.

7. Plaintiffs may be served with notice of further proceedings in this case at the following addresses:

Roland P. Weddell
2271 Arrowhead Dr.
Carson City, NV 89706-0459
Fax: (775) 883-4088

Spectrum Financial Group, LLC
c/o William Schilz
225 Valley Glen Lane
Martinez, California 94553
Email: billschilz@Comcast.net
bill@spectrumgroups.com

1 Further affiant sayeth naught.

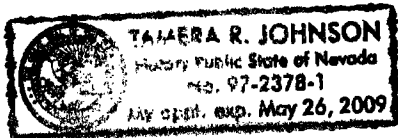
2 DATED this 17 day of August, 2007.

3 I do hereby swear under penalty of perjury that the
4 foregoing assertions contained in this Affidavit are
5 true and correct.

6 J. Stephen Peek
7 J. Stephen Peek, Esq.

8
9 SIGNED and SWORN to before me
10 on this 17th day of August, 2007,
11 by J. Stephen Peek, Esq.

12 Tamara R. Johnson
13 Notary Public
14 My Commission Expires: 5/26/09



Hale Lane Peek Dennison and Howard
2300 West Sahara Ave., Suite 800, Box 8
Las Vegas, Nevada 89102